

# SENATE MOTION

**MR. PRESIDENT:**

**I move** that Senate Bill 1 be amended to read as follows:

1           Page 30, between lines 9 and 10, begin a new paragraph and insert:  
2           "SECTION 20. IC 6-1.1-18.5-3, AS AMENDED BY P.L.1-2003,  
3           SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           UPON PASSAGE]: Sec. 3. (a) Except as otherwise provided in this  
5           chapter and IC 6-3.5-8-12, a civil taxing unit that is treated as not being  
6           located in an adopting county under section 4 of this chapter may not  
7           impose an ad valorem property tax levy for an ensuing calendar year  
8           that exceeds the amount determined in the last STEP of the following  
9           STEPS:  
10           STEP ONE: Add the **sum of:**  
11                **(A) the** civil taxing unit's maximum permissible ad valorem  
12                property tax levy for the preceding calendar year; **plus**  
13                **(B) the greater of zero (0) or the result of an amount**  
14                **determined by the civil taxing unit that may not**  
15                **exceed:**  
16                    **(i) the civil taxing unit's maximum permissible ad**  
17                    **valorem property tax levy determined under this**  
18                    **chapter for property taxes first due and payable in**  
19                    **2003, minus the civil taxing unit's ad valorem**  
20                    **property tax levy for property taxes first due and**  
21                    **payable in 2003; minus**  
22                    **(ii) any amount added under this clause in a**  
23                    **previous year;**  
24           to the part of the civil taxing unit's certified share, if any, that  
25           was used to reduce the civil taxing unit's ad valorem property tax  
26           levy under STEP EIGHT of subsection (b) for that preceding  
27           calendar year.  
28           STEP TWO: Multiply the amount determined in STEP ONE by  
29           the amount determined in the last STEP of section 2(b) of this  
30           chapter.

1 STEP THREE: Determine the lesser of one and fifteen  
2 hundredths (1.15) or the quotient (rounded to the nearest  
3 ten-thousandth (0.0001)), of the assessed value of all taxable  
4 property subject to the civil taxing unit's ad valorem property tax  
5 levy for the ensuing calendar year, divided by the assessed value  
6 of all taxable property that is subject to the civil taxing unit's ad  
7 valorem property tax levy for the ensuing calendar year and that  
8 is contained within the geographic area that was subject to the  
9 civil taxing unit's ad valorem property tax levy in the preceding  
10 calendar year.

11 STEP FOUR: Determine the greater of the amount determined in  
12 STEP THREE or one (1).

13 STEP FIVE: Multiply the amount determined in STEP TWO by  
14 the amount determined in STEP FOUR.

15 STEP SIX: Add the amount determined under STEP TWO to the  
16 amount determined under subsection (c).

17 STEP SEVEN: Determine the greater of the amount determined  
18 under STEP FIVE or the amount determined under STEP SIX.

19 (b) Except as otherwise provided in this chapter and  
20 IC 6-3.5-8-12, a civil taxing unit that is treated as being located in an  
21 adopting county under section 4 of this chapter may not impose an ad  
22 valorem property tax levy for an ensuing calendar year that exceeds the  
23 amount determined in the last STEP of the following STEPS:

24 STEP ONE: Add the **sum of:**

25 **(A) the civil taxing unit's maximum permissible ad valorem**  
26 **property tax levy for the preceding calendar year; plus**

27 **(B) the greater of zero (0) or the result of an amount**  
28 **determined by the civil taxing unit that may not**  
29 **exceed:**

30 **(i) the civil taxing unit's maximum permissible ad**  
31 **valorem property tax levy determined under this**  
32 **chapter for property taxes first due and payable in**  
33 **2003, minus the civil taxing unit's ad valorem**  
34 **property tax levy for property taxes first due and**  
35 **payable in 2003; minus**

36 **(ii) any amount added under this clause in a**  
37 **previous year;**

38 to the part of the civil taxing unit's certified share, if any, used to reduce  
39 the civil taxing unit's ad valorem property tax levy under STEP EIGHT  
40 of this subsection for that preceding calendar year.

41 STEP TWO: Multiply the amount determined in STEP ONE by  
42 the amount determined in the last STEP of section 2(b) of this  
43 chapter.

44 STEP THREE: Determine the lesser of one and fifteen  
45 hundredths (1.15) or the quotient of the assessed value of all  
46 taxable property subject to the civil taxing unit's ad valorem  
47 property tax levy for the ensuing calendar year divided by the  
48 assessed value of all taxable property that is subject to the civil  
49 taxing unit's ad valorem property tax levy for the ensuing  
50 calendar year and that is contained within the geographic area

that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

(c) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation. In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

(d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:

STEP ONE: Multiply the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

(A) the amount determined in STEP ONE; or

(B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:

(i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or

(ii) the civil taxing unit's base year certified share.

STEP FOUR: Determine the greater of:

- 1 (A) zero (0); or
- 2 (B) the amount determined in STEP TWO minus the amount
- 3 determined in STEP THREE.

4 Add the amount determined in STEP FOUR to the amount determined  
5 in subsection (e), STEP THREE, as provided in subsection (e), STEP  
6 FOUR.

7 (e) For each civil taxing unit, the amount to be subtracted under  
8 subsection (b), STEP EIGHT, is determined using the following  
9 formula:

10 STEP ONE: Determine the lesser of the civil taxing unit's base  
11 year certified share for the ensuing calendar year, as determined  
12 under section 5 of this chapter, or the civil taxing unit's certified  
13 share for the ensuing calendar year.

14 STEP TWO: Determine the greater of:

- 15 (A) zero (0); or
- 16 (B) the remainder of:
  - 17 (i) the amount of federal revenue sharing money that
  - 18 was received by the civil taxing unit in 1985; minus
  - 19 (ii) the amount of federal revenue sharing money that
  - 20 will be received by the civil taxing unit in the year
  - 21 preceding the ensuing calendar year.

22 STEP THREE: Determine the lesser of:

- 23 (A) the amount determined in STEP TWO; or
- 24 (B) the amount determined in subsection (f) for the civil
- 25 taxing unit.

26 STEP FOUR: Add the amount determined in subsection (d),  
27 STEP FOUR, to the amount determined in STEP THREE.

28 STEP FIVE: Subtract the amount determined in STEP FOUR  
29 from the amount determined in STEP ONE.

30 (f) As used in this section, a taxing unit's "determination year"  
31 means the latest of:

- 32 (1) calendar year 1987, if the taxing unit is treated as being
- 33 located in an adopting county for calendar year 1987 under
- 34 section 4 of this chapter;
- 35 (2) the taxing unit's base year, as defined in section 5 of this
- 36 chapter, if the taxing unit is treated as not being located in an
- 37 adopting county for calendar year 1987 under section 4 of this
- 38 chapter; or
- 39 (3) the ensuing calendar year following the first year that the
- 40 taxing unit is located in a county that has a county adjusted gross
- 41 income tax rate of more than one-half percent (0.5%) on July 1
- 42 of that year.

43 The amount to be used in subsections (d) and (e) for a taxing unit  
44 depends upon the taxing unit's certified share for the ensuing calendar  
45 year, the taxing unit's determination year, and the county adjusted gross  
46 income tax rate for resident county taxpayers (as defined in  
47 IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of  
48 the year preceding the ensuing calendar year. For the determination year  
49 and the ensuing calendar years following the taxing unit's determination

year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%

	Subsection (e)
Year	Factor
For the determination year and each ensuing calendar year following the determination year . . . . .	0

COUNTIES WITH A TAX RATE OF 3/4%

	Subsection (e)
Year	Factor
For the determination year and each ensuing calendar year following the determination year . . . . .	1/2

COUNTIES WITH A TAX RATE OF 1.0%

	Subsection (d)	Subsection (e)
Year	Factor	Factor
For the determination year . . . . .	1/6	1/3
For the ensuing calendar year following the determination year . . . . .	1/4	1/3
For the ensuing calendar year following the determination year by two (2) years . . . . .	1/3	1/3".

Page 38, delete lines 28 through 42, begin a new paragraph and insert:  
 "SECTION 25. IC 6-1.1-18.6-2, AS AMENDED BY P.L.273-1999, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A county may not impose a county family and children property tax levy for an ensuing calendar year that exceeds the product of:

(1) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for the ensuing calendar year; multiplied by

(2) the ~~maximum~~ **sum of:**

**(A) the** county family and children property tax levy that the county ~~could have~~ imposed for the calendar year immediately preceding the ensuing calendar year under the limitations set by this section; **plus**

**(B) the greater of zero (0) or the result of an amount determined by the county that may not exceed:**

(i) the county's maximum permissible ad valorem property tax levy determined under this section for property taxes first due and payable in 2003, minus the county's ad valorem property tax levy under this section for property taxes first due and payable in 2003; minus  
 (ii) any amount added under this clause in a previous year.

**The subdivision (2) amount does not include the amount levied for debt incurred to fund a budget for a calendar year before the calendar year immediately preceding the ensuing calendar**

1           **year.**

2           SECTION 26. IC 6-1.1-18.6-2.2, AS ADDED BY P.L.224-2003,  
3           SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           UPON PASSAGE]: Sec. 2.2. A county may not impose a county  
5           children's psychiatric residential treatment services property tax levy for  
6           an ensuing calendar year that exceeds the product of:

7           (1) the assessed value growth quotient determined under  
8           IC 6-1.1-18.5-2 for the county for the ensuing calendar year;  
9           multiplied by

10          (2) the ~~maximum~~ **sum of:**

11           **(A) the** county children's psychiatric residential treatment  
12           services property tax levy that the county ~~could have~~ imposed for  
13           the calendar year immediately preceding the ensuing calendar  
14           year under the limitations set by this section; **plus**

15           **(B) the greater of zero (0) or the result of an amount**  
16           **determined by the county that may not exceed:**

17            (i) the county's maximum permissible ad valorem  
18           property tax levy determined under this section for  
19           property taxes first due and payable in 2003, minus the  
20           county's ad valorem property tax levy under this section  
21           for property taxes first due and payable in 2003; minus

22            (ii) any amount added under this clause in a previous  
23           year.

24           **The subdivision (2) amount does not include the amount levied for**  
25           **debt incurred to fund a budget for a calendar year before the**  
26           **calendar year immediately preceding the ensuing calendar year."**

27           Page 39, delete lines 1 through 15.

- 1       Page 100, line 31, after "IC 6-1.1-18.5-1," insert "**IC 6-1.1-18.6-2,**
- 2 **and IC 6-1.1-18.6-2.2, all**".
- 3       Page 100, line 32, delete "applies" and insert "**apply**".
- 4       Renumber all SECTIONS consecutively.  
(Reference is to SB 1 as printed November 21, 2003.)

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Senator SIMPSON